



Electronic Industries Association

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

May 5, 1995

The Honorable Reed E. Hundt
Chairman
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554

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Re: MM Docket No. 87-268 -- Advanced Television Systems and Their Impact
Upon the Existing Television Broadcast Services

Dear Mr. Chairman:

We are writing on behalf of the Advanced Television Committee of the Electronic Industries Association ("EIA/ATV Committee") to provide the Commission with the Committee's views on the "Broadcasters' Proposed ATV Allotment/Assignment Approach" which the Broadcasters filed with the Commission earlier this year.¹ We are also writing to express the EIA/ATV Committee's support for the views advanced by the HDTV Grand Alliance regarding the importance of High Definition Television ("HDTV") during their recent *ex parte* presentations to you and your fellow Commissioners,² and for the resolution recently adopted by the Association for Maximum Service Television, Inc. ("MSTV").³

In the Broadcasters' filing with the Commission, they have proposed a comprehensive, computer-based approach to the allotment and assignment of VHF and UHF channels to communities and individual licensees, so as "to accommodate both existing NTSC

¹ See Broadcasters' Proposed TV Allotment Assignment/Approach, MM Docket No. 87-268 (filed Jan. 13, 1995) [hereinafter "Broadcasters Proposal"].

² See Letters from Robert K. Graves to William F. Caton (Feb. 14, 1995) (MM Docket No. 87-268); Letter from Robert K. Graves to William F. Caton (Mar. 9, 1995) (MM Docket No. 87-268) [hereinafter "Grand Alliance Presentation"].

³ See Resolution Adopted by Board of Directors of Association for Maximum Service Television, Inc. (Apr. 9, 1995) [hereinafter "MSTV Resolution"].

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stations and their new ATV counterparts without sacrificing NTSC service during the transition to ATV."⁴ The EIA/ATV Committee agrees with the Broadcasters that the time to start developing such a table of allotments and assignments is now. We also agree that such a table should allot and assign both VHF and UHF channels, that it should not disenfranchise existing NTSC viewers, and that it should, subject to the qualifications set forth below, maximize ATV service area. The EIA/ATV Committee similarly concurs in the Broadcasters' assessment that the Commission should adopt such a table of allotments and assignments at the same time it adopts ATV transmission standards, "so that the broadcasting, manufacturing, and programming industries have the requisite incentives and tools to implement ATV."⁵

In extolling the virtues of their proposed channel allocation and assignment plan, the Broadcasters note its spectral and administrative efficiency, its preservation of NTSC service during the transition to a digital environment, its equitable treatment of existing licensees, and its promotion of universal access to, and localism in, ATV services. The EIA/ATV Committee does not dispute the importance of these criteria. In order to be successful, any channel allotment and assignment formula must not only be fair in fact to all affected, but it must also be perceived as such. Furthermore, it must allot and assign frequencies in an objective, transparent manner that does not favor one broadcaster or locale over another. Notwithstanding the need for such objective neutrality, such a formula must also be sufficiently flexible to address changing circumstances and avoid unexpected or undesirable results. The EIA/ATV Committee therefore believes that the principles underlying the Broadcasters' allotment and assignment approach are sound.

The Broadcasters' proposed allotment and assignment formula, however, should also make explicit a critical public policy objective of providing universal access to HDTV broadcasting and offering American consumers the benefits of this very important new technology. This could be made clear in an explicit FCC requirement imposed on broadcasters' use of the ATV channel, including a requirement for HDTV broadcasting, but subject to suitable flexibility provisions.

⁴ Broadcasters Proposal at 2.

⁵ *Id.*

As you and Commissioner Quello observed at the recent National Association of Broadcasters convention, terrestrial broadcasting is an important component of the National Information Infrastructure ("NII").⁶ The widespread availability of HDTV is critical if terrestrial broadcasting is to achieve its full potential as a valuable part of the NII, and if the NII is to be a true network of networks. Only HDTV will be capable of supporting many future Information Age applications. HDTV, for example, will be essential to such applications as remote medical diagnostics, where the importance of HDTV-quality pictures cannot be overstated. HDTV entertainment programming will create the marketplace demand for HDTV technology and equipment that will make such applications possible. Other service providers, software developers, manufacturers, and the public at large will similarly benefit from the widespread deployment of HDTV and a multimedia NII. Indeed, the broadcasting community itself will benefit from such increased use of HDTV technology and services.

The EIA/ATV Committee therefore endorses the views expressed by the HDTV Grand Alliance during their *ex parte* presentations to you and your fellow Commissioners in February and March of this year.⁷ We also endorse the resolution -- espousing similar views -- adopted by the MSTV Board of Directors at its April 9, 1995 meeting in Las Vegas.⁸ Although we believe that broadcasters should be accorded flexibility in their use of ATV spectrum, it is absolutely essential that HDTV remain the centerpiece of the Commission's ATV policies.⁹ Otherwise, neither producers nor consumers will invest in HDTV programming, studio equipment, and receivers. If the Commission is to achieve its ATV policy goals and ensure that the additional spectrum made available to broadcasters is used in the public interest, broadcasters should be required to transmit a minimum amount of HDTV broadcasting each day. As the Grand Alliance has proposed, the Commission should require the broadcast of HDTV

⁶ See Remarks of Chairman Reed E. Hundt Before the National Association of Broadcasters Convention, Las Vegas, Nevada (Apr. 11, 1995); Remarks of Commissioner James H. Quello Before the NAB's Broadcast Engineering Conference, Las Vegas, Nevada (Apr. 9, 1995).

⁷ See Grand Alliance Presentation.

⁸ See MSTV Resolution.

⁹ In the words of the MSTV resolution, "[t]he totality of the American public, which only local broadcasters serve, must have the opportunity to participate in the benefits of digital television and, most centrally, HDTV." *Id.*

programming during all prime time hours or for a substantial period of time every day.¹⁰ Beyond this minimum requirement, broadcasters should be given wide flexibility. Alternatively, the Commission may wish to pursue a policy that gives broadcasters an incentive to transmit HDTV programming by assigning additional spectrum only to those licensees that demonstrate a commitment to HDTV.

In their January submission, the Broadcasters have also proposed that the Commission solicit comment on the adoption of ATV receiver standards. According to the Broadcasters, both they and the public will suffer if ATV receivers fail to satisfy the performance characteristics assumed by their channel allotment and assignment plan. The Broadcasters further argue that if manufacturers cannot, for cost or other reasons, produce receivers that meet the Grand Alliance's system performance criteria, now is the time to find this out, before spectrum is allotted and assigned.

Decades of experience demonstrate that the Broadcasters' concerns are misplaced. Whereas mandatory *transmission* standards have historically proven to be necessary, the same cannot be said of *receiver* standards. The competitive pressures of the consumer electronics marketplace have produced television receivers that provide consumers not only with high quality video, but also with a wide variety of enhanced features and functions at prices that consumers are willing to pay. On those few occasions when voluntary industry guidelines have been found to be desirable, the consumer electronics industry has responded accordingly, and EIA remains committed to mobilize the industry should the need for similar action arise in the context of HDTV. Given this background and the fact that the industry has already articulated voluntary performance characteristics for ATV receivers,¹¹ the Commission should continue to rely on the forces of supply and demand in the competitive consumer electronics marketplace.

In closing, we wish to reiterate the EIA/ATV Committee's interest in, and support for, the widespread availability of HDTV programming and equipment. As the Grand Alliance and MSTV have correctly pointed out, HDTV must remain the centerpiece of the Commission's

¹⁰ Another approach, proposed by EIA in an earlier filing in this proceeding, would be to require broadcasters to periodically increase the daily amount of HDTV programming by specified percentages over a specified transition period. See Comments of the EIA/ATV Committee, MM Docket No. 87-268, at 6-7 (filed Jan. 7, 1993).

¹¹ See United States Advanced Television Systems Committee, *Digital Television Standards for HDTV Transmission*, Annex E (Receiver Characteristics) (Apr. 12, 1995).

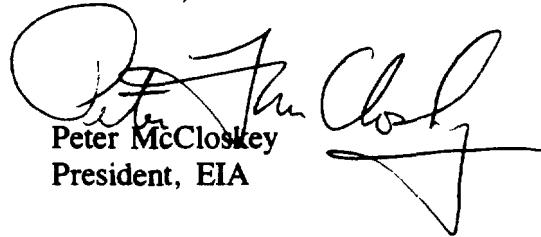
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ATV policy. It is only in the context of such an HDTV-oriented ATV policy that the proposals advanced by the Broadcasters merit the Commission's serious consideration.

Respectfully submitted,



F. Jack Pluckhahn
Chairman, ATV Committee



Peter McCloskey
President, EIA

cc: Hon. James H. Quello
Hon. Andrew C. Barrett
Hon. Rachelle B. Chong
Hon. Susan Ness
William F. Caton (two copies)